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BEVERLY  
CLERK OF  
YUMA

**IN THE SUPERIOR COURT OF ARIZONA  
IN AND FOR THE COUNTY OF YUMA**

In the Matter of,

FINANCIAL REVIEW OF THE  
OFFICE OF CLERK OF SUPERIOR COURT  
IN AND FOR THE COUNTY OF YUMA

ADMINISTRATIVE ORDER  
NO. 95-30

The undersigned serving as Yuma County's Chief Judicial Officer and having administrative supervision of the Clerk of Superior Court pursuant to Administrative Order 93-30, Supreme Court of the State of Arizona, and good cause appearing,

**IT IS ORDERED** that a financial review of the Clerk's Office shall be performed by a Certified Public Accountant currently licensed by the Arizona State Board of Accountancy or by a Certified Internal Auditor and such other persons or persons as may be necessary to perform the audit.

**IT IS FURTHER ORDERED** that this financial review shall be conducted as required by the Minimum Accounting Standards §13.00 which is attached hereto and incorporated in this Order by reference.

Done in Open Court September 1, 1995.

  
Judge of Superior Court

**COMMENTARY:**

If a city or county treasurer collects monies on behalf of the court or if the court deposits monies with the city or county treasurer, the court should verify that monies are distributed and reported to the appropriate agencies according to statute.

**13.00 FINANCIAL REVIEW**

- 13.01** A financial review of the court shall be performed no less than every three years. The review is to be performed by a Certified Public Accountant (CPA) Public Accountant currently licensed by the Arizona state board of accountancy (PA) or Certified Internal Auditor (CIA) or under the direction of a CPA, PA or CIA. Upon completion of the review, a report must be prepared and received by the court from the accountant/auditor, no later than 90 days after the review is completed. Copies of the report must be sent to the presiding judge of the county and the AOC within 7 days of the court receiving the report. A copy of each review report shall also be sent to the State Auditor General's Office for all appellate, superior and justice courts. This copy must also be sent within seven days of the court receiving the report.

A Minimum Accounting Standards Annual Compliance Checklist shall also be completed and submitted by the accountant/auditor with the financial review report, separate from the Annual Compliance Checklist prepared by the court.

- 13.02** The following are the requirements the accountant/auditor must adhere to in order to provide a report that will comply with this standard.

- a) Each court shall cause to be conducted, at least triennially, a financial review of specific elements, accounts, or items of a financial statement in order to make certain determinations as identified by the Administrative Office of the Courts (AOC) in section e. below.
- b) The financial review shall be performed in accordance with the information provided by the American Institute of Certified Public Accounts, Codification of Statements on Auditing Standards, AU Section 622, SPECIAL REPORTS--APPLYING AGREED-UPON PROCEDURES TO SPECIFIED ELEMENTS, ACCOUNTS, OR ITEMS OF A FINANCIAL STATEMENT.
- c) Upon completion of the financial review, a report must be received by the court from the accountant/auditor, no later than 90 days after the review is completed. Copies of the report must be sent to the presiding judge of the county and the AOC within 7 days of the court receiving the report.

- d) The accountant/auditor report on the results of the review should: (a) indicate the specific elements, accounts, or items to which the review were applied; (b) indicate the intended distribution of the report; (c) enumerate the procedures performed; (d) state the accountant/auditor findings; (e) disclaim an opinion with respect to specified elements, accounts, or items; and, (f) state that the report relates only to the elements, accounts, or items specified, and does not extend to the entity's financial statement taken as a whole. (CODIFICATION OF STATEMENTS ON AUDITING STANDARDS AU 622.04)
- e) The accountant/auditor shall follow all procedures necessary to determine if:
- Fines, fees and surcharges are assessed accurately and are supported by adequate internal controls and procedures.
  - Monies are accurately receipted and reconciled on a timely basis and supported by adequate internal controls and procedures.
  - Monies are accurately distributed/disbursed and reconciled on a timely basis and supported by adequate internal controls and procedures.
  - Expenditures/expenses are reasonable and necessary for the normal operations of the court.
  - Court is in compliance with current Minimum Accounting Standards.
- f) In addition to the report, a Minimum Accounting Standards Compliance Checklist shall be completed and submitted by the accountant/auditor with the review report, separate from the annual checklist prepared by the court. The accountant/auditor shall use the most current Minimum Accounting Standards Compliance Checklist and include any relevant remarks or comments regarding compliance issues or the checklist's relationship to the accountant/auditor report.
- g) The accountant/auditor shall grant the court being reviewed, the Supreme Court, AOC, and the Auditor General's Office access, free of charge, to any books, documents, records, and working papers that are in any way pertinent to the audit. Further, these items shall be produced at the Supreme Court, AOC or Auditor General upon request.

**COMMENTARY:**

Note: Each court must meet a deadline for the completion of the first financial review (standard 13.01 and 13.02) based on the following circumstances.

After meeting the appropriate deadline, the financial review is required no less that every three years thereafter.

Deadline - December 31, 1997

This is the deadline for all courts that have had a financial audit (including an Auditor General's audit of a justice court) or AOC conducted operational review performed between July 1, 1993 and December 31, 1994.

Deadline - June 30, 1996

This is the deadline for all courts that have not had a financial audit or AOC conducted operational review performed between July 1, 1993 and December 31, 1994. Even if a formal financial audit or AOC operational review is performed on a court after December 31, 1994, the court must still have a financial review (standard 13.01 and 13.02) completed by this deadline.

Contact the Court Services Division (602-542-9358) prior to arranging for the financial review to assure that no additional procedures have been added or changes made.

The type of financial review being required is actually referred to as the Performance of Agreed-Upon Procedures by accountants and auditors. In order to reduce confusion over the terminology used in this standard, the Performance of Agreed-Upon Procedures is referred to as a financial review.

The Performance of Agreed-Upon Procedures (financial review) involves the use of a CPA, PA or CIA for the purpose of making certain determinations requested by the Administrative Office of the Courts. The auditors are to use their professional discretion and experience to determine the size and scope of the review needed to make these determinations. Prior to a review engagement in a court, the accountants/auditors should inform the court of the specific elements, accounts or items of the financial statement that will be reviewed.

This type of review is different from a financial audit or court operational review. It is different in that the auditors have a clear description of what determinations must be made, but they are given the latitude to perform the specific procedures they deem necessary to make these determinations. The accountants/auditors will inform the court of the procedures they will use prior to the review and the court will agree to these procedures (thus the term "agreed-upon procedures"). This does not suggest that the court is able to negotiate the methods of review or the elements upon which the determinations are to be based on. The agreement is the confirmation of the methods, techniques, size and scope of the review the auditors will perform in the court.

- 13.03 In addition, when any type of financial or operational audit (other than the financial review listed in 13.01 and 13.02) is to be performed in the supreme court, court of appeals, superior or limited jurisdiction court by any agency or private firm regardless of the nature of the audit, the justice of the peace, court administrator, clerk of the court or presiding judge is to advise their respective chief justice, chief judge or presiding judge of the county of the audit before or during the audit. The court is to also provide their respective chief justice, chief judge or presiding judge of the county and the AOC with a copy of all reports, findings, and evaluations from any audit immediately upon its receipt. A copy of each of these reports shall also be sent to the Auditor General's Office for all appellate, superior and justice courts.

**COMMENTARY:**

When sending copies of a financial review report (report on agreed-upon procedures) or any type of financial or operational report to the AOC, send them to the attention of the Court Services Division Director, Arizona Supreme Court, 1501 West Washington, Suite 410, Phoenix, Arizona 85007-3327.